

Carl Moyer Program 2007 Revision to Guidelines

Kickoff Workshop
Sacramento, California and Webcast
March 13, 2007



1

Outline

- Background
- Scope of revision
- Schedule
- Contact information



2

Introduction to Carl Moyer Program

- Incentive grants for SIP-creditable reductions
- Incremental cost of cleaner technology
 - Real, surplus, quantifiable, enforceable
 - Cost-effectiveness limit
- Health and Safety Code establishes structure of program
 - Legislative changes have expanded program

3

Program Responsibilities

- State and local partnership
 - ARB develops and adopts guidelines
 - Districts receive applications, award grants, and monitor projects
- Districts retain flexibility in implementation
- Districts provide match funding

4

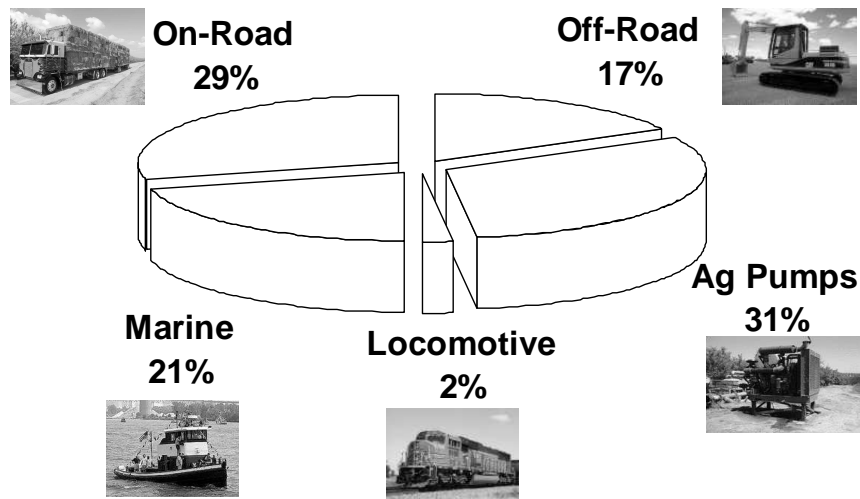
Program History

- First 6 years (1998-2004):
 - Over \$140 million spent
 - Over 6,300 engines cleaned up
 - 18 tpd NOx and 1 tpd PM reduced
 - Cost-effectiveness of \$2,600 per ton NOx
- Year 7 and 8 projects in process
- Year 9 grant agreements being finalized
- Program funded through 2015



5

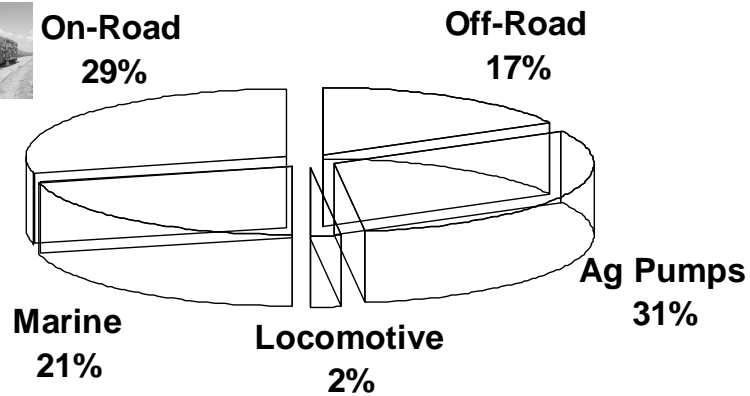
Projects Funded Years 1-6



Percentage of funds expended by project category

6

Projects Funded Years 1-6



Percentage of funds expended by project category

7

Carl Moyer Program Guidelines

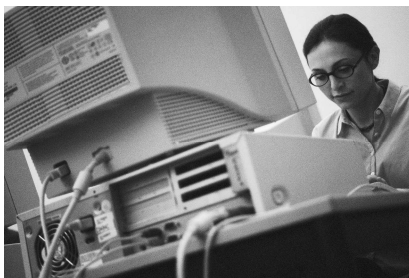
- Statute requires ARB to adopt guidelines
- Guidelines set minimum requirements
 - Administrative procedures
 - Project criteria for source categories
 - Cost-effectiveness criteria
 - Reporting requirements
- Comprehensive update adopted in 2005



8

Comments

- Webcast communication information
 - Please email questions and comments to:
coastalrm@calepa.ca.gov



9

2007 Revision to Guidelines

10

2007 Revision to Guidelines

- Update administrative requirements
- Update project criteria for source categories
- Evaluate new project types
- Revise emission factors to reflect latest emissions data
- Consider other issues raised by stakeholders



11

Administrative Requirements Goals for Update

- Continue ensuring SIP creditable reductions
- Continue ensuring consistency with enabling legislation
- Streamline requirements where possible
 - Utilize ARB, district, grantee resources most effectively
 - Risk-based approaches

12

Administrative Requirements Inputs for Update

- Experience implementing 2005 guidelines
- Administrative work group
- Stakeholder comments
- Program evaluations and audits

13

Program Evaluations and Audits

- Department of Finance evaluation
 - Suggestions for improving effectiveness and accountability
 - Recommends clarifying certain requirements
- Bureau of State Audits
 - Evaluating program effectiveness and efficiency
 - Results expected in Spring 2007
- ARB audits of district programs

14

Source Category Project Criteria

- Update criteria to reflect regulations adopted since last guideline update
 - On-road truck idle reduction ATCM (Oct 2005)
 - On-road public fleet rule (Dec 2005)
 - Cargo handling ATCM (Dec 2005)
 - Large spark ignition engine rule (May 2006)
 - Stationary ag engine ATCM (Nov 2006)

15

Source Category Project Criteria

- Update criteria to reflect regulations upon adoption
 - Off-road fleet rule
 - Commercial harborcraft ATCM
 - On-road private fleet rule
 - Port truck rule
- Rules adopted in late 2007 would be addressed in future program advisories

16

New Concepts for Project Criteria

- Repower projects
 - Eliminate Tier 1 off-road repowers
 - Pay fixed percent instead of difference between rebuild and new engine cost
- Vouchers for standard projects
- Reevaluate minimum project life
- Exposure as part cost-effectiveness calculations
- Innovative financing

17

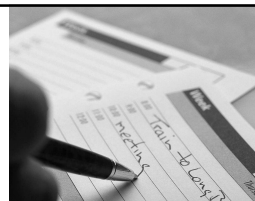
Potential New Project Types

- Off-road fleet modernization pilot
- SB 467 off-road scrap/zero-emission replacement
- Fleet modernization for Class 3 railroads
- Non-engine agricultural projects



18

Next Steps



- Convene work groups
- May/June – Workshop on draft concepts
- August – Workshop on draft project criteria
- August/September – Advisory group meets
- Late September – Proposed guidelines released
- November 15-16 – Board meeting
- For more information, visit ARB's website:
www.arb.ca.gov/msprog/moyer/moyer.htm

19

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20